

# **Fact Sheet: Selected Highlights of the FY2016 Defense Appropriations Bills (H.R. 2685 and S. 1558)**

Updated June 16, 2015

**Congressional Research Service**

<https://crsreports.congress.gov>

R44074

Following are selected highlights of the versions of the FY2016 Defense Appropriations Bill passed by the House on June 11, 2015 (H.R. 2685) and reported by the Senate Appropriations Committee on June 11, 2015 (S. 1558). This CRS Fact Sheet is based on the House-passed bill and the committee reports accompanying the two measures (H.Rept. 114-139 and S.Rept. 114-63, respectively). It is designed as a time-urgent product offering Members the best available information pending publication of a CRS report on the FY2016 defense funding legislation.

**TTable 1. FY2016 Defense Appropriations Bill (H.R. 2685 / S. 1558)**

(amounts in millions of dollars of discretionary budget authority)

	<b>FY2015 Enacted</b>	<b>FY2016 Budget Request</b>	<b>House- passed H.R. 2685</b>	<b>Senate committee- reported S. 1558</b>	<b>Conference Report</b>
Military Personnel	128,004.6	130,491.2	122,727.6	129,442.1	
Operation and Maintenance (O&M)	161,655.7	176,517.2	162,234.8	139,169.2	
Procurement	96,493.9	106,914.4	98,549.4	109,813.7	
Research and Development (R&D)	63,713.3	69,785.0	66,125.7	70,324.7	
Revolving and Management Funds	2,134.5	1,786.7	2,108.7	2,253.7	
Defense Health Program and Other DOD Programs	34,144.6	34,230.5	33,418.2	34,293.9	
Related Agencies	1,021.6	1,044.0	1,021.9	1,027.9	
General Provisions	-803.3	1.0	-2,119.0	-3,351.8	
<b>Subtotal: DOD Base Budget</b>	<b>486,364.8</b>	<b>520,770.0</b>	<b>484,067.3</b>	<b>482,973.4</b>	
Global War on Terror (GWOT)	63,935.3	50,949.6	88,421.0	86,868.3	
<i>(NOT ADDITIVE: amount of GWOT funding earmarked for activities funded in base budget)</i>	<i>n/a</i>	<i>0.0</i>	<i>24,570.0<sup>a</sup></i>	<i>36,498.0<sup>b</sup></i>	
Ebola Response	112.0	—	—	—	
<b>Subtotal: GWOT</b>	<b>64,047.3</b>	<b>50,949.6</b>	<b>88,421.0</b>	<b>86,868.3</b>	
<b>TOTAL: Defense Appropriations</b>	<b>550,412.1</b>	<b>571,719.6</b>	<b>572,488.3</b>	<b>569,841.7</b>	

**Sources:** Text of H.R. 2685 as passed by the House on June 11, 2015; and S.Rept. 114-63, Report of the Senate Appropriations Committee to accompany S. 1558, Department of Defense Appropriations Bill, 2016, filed June 11, 2015.

**Notes:**

- a. The House bill would appropriate a total of \$24.570 billion as OCO funding for items and activities for which the Administration requested funding in the base budget. The total amount the House bill would shift from base budget to OCO includes \$7.1 billion in military personnel accounts, \$11.9 billion in Operation and Maintenance accounts, \$5.2 billion procurement accounts, and \$418 million in R&D account.
- b. The Senate bill would appropriate a total of \$36.488 billion as OCO funding for items and activities for which the Administration requested funding in the base budget. All the funds the Senate bill would shift from base budget to OCO are in the O&M accounts.

Table 2. Selected Administration Policy and Cost-Cutting Proposals

Administration Proposal	House-passed H.R. 2685	Senate committee-reported S. 1558	Conference Report
1.3% <b>Raise in Military Basic Pay</b> in lieu of the 2.3% raise that would occur under existing law <sup>a</sup>	Adds \$700 million to amount requested for military pay, which is the amount DOD projects would be saved by a 1.3% rather than 2.3% raise (Section 8124)	No funds added for a higher pay raise than the budget requests	
Reduce <b>Commissary Subsidy</b> by efficiencies and reduction of store hours but without closing stores	Adds \$322 million to the request for the commissary system to maintain the current system in FY2016	Adds \$322 million to the request for the commissary system to maintain the current system in FY2016	
Slow rate of increase in <b>Housing Allowance</b> to eventually cover 95% of rental costs in lieu of current 99% coverage <sup>a</sup>	Adds \$400 million to the amount requested for housing allowance, to continue current policy in FY2016 (Section 8114)	No funds added for a higher housing allowance than the budget requests	
Changes to <b>TRICARE</b> medical insurance including enrollment fee for <b>TRICARE-for-Life</b> (for retirees) and increased <b>pharmacy co-pays</b> for non-active duty beneficiaries	Makes a net reduction of \$70 million to the TRICARE request amounting to the start-up costs for proposed changes that are not authorized by House-passed NDAA (H.R. 1735)	Makes a net reduction of \$70 million to the TRICARE request amounting to the start-up costs for proposed changes	
Move all <b>Apache attack helicopters from National Guard units</b> to Army units; Re-equip some of those Guard units with Black Hawk troop carriers <sup>b</sup>	Prohibits retirement of National Guard Apaches or transfer to regular Army pending enactment of FY2016 NDAA (Section 8116); Adds \$84 million to R&D accounts for Apache upgrades	Prohibits transfer to the Army of more than 36 National Guard Apaches pending enactment of FY2016 NDAA (Section 8106);	
Continue mothballing <b>A-10 ground-attack aircraft</b> <sup>c</sup>	Bars retirement of A-10s, dissolution of units flying A-10s and continued removal of A-10s from combat-ready status (Section 8120); Adds \$788 million to continue A-10 operations	Adds \$466 million for continued A-10 operations and development	
End production of <b>Tomahawk cruise missiles</b> requesting \$185 million for the last 100 missiles	Funds request and adds \$30.6 million to procure an additional 49 Tomahawks	Funds request and adds \$30.0 million to procure an additional 49 Tomahawks	

- a. For background, see CRS Report RL33446, *Military Pay: Key Questions and Answers*, by Lawrence Kapp and Barbara Salazar Torreon.
- b. For background, see CRS Report R43808, *Army Active Component (AC)/Reserve Component (RC) Force Mix: Considerations and Options for Congress*, by Andrew Feickert and Lawrence Kapp.
- c. For background, see CRS Report R43843, *Proposed Retirement of A-10 Aircraft: Background in Brief*, by Jeremiah Gertler.

**Table 3. Selected Congressional Budget Increases and Policy Additions**

Issue	House-passed H.R. 2685	Senate committee-reported S. 1558	Conference Report
<b>F/A-18E/F</b> Navy fighters and <b>EA-18G</b> electronic warfare planes (none requested) <sup>a</sup>	Adds \$350 million for five F/A-18E/Fs and \$666 million for seven EA-18Gs	Adds \$979 million for 12 F/A-18E/Fs	
<b>F-35 Joint Strike Fighter</b> (\$11.0 billion requested for 57 planes) <sup>b</sup>	Funds request and adds \$1.1 billion for 6 Marine Corps versions (F-35B) and two Navy versions (F-35C)	Funds request and adds \$1.2 billion for 6 Marine Corps versions (F-35B) and four Air Force versions (F-35A)	
<b>Shipbuilding budget</b> includes \$13.8 billion for 10 ships and components to be used in future construction of four more <sup>c</sup>	Adds \$635 million for an additional Afloat Forward Staging Base—a ship designed as a mobile, floating base for U.S. forces	Adds \$1.8 billion to acquire two additional ships and to accelerate work on four others	
<b>Facilities Modernization</b> , (\$10.8 billion requested)	Adds \$1.4 billion	No funds added	
Increased funds to improve <b>military readiness</b>	Adds \$3.2 billion, of which \$2.5 billion is provided by (Section 9017)	Adds \$203 million	
Increased funding for <b>medical R&amp;D</b>	Adds \$587 million	Adds \$828 million	
Increased funding for <b>Intelligence, Surveillance, and Reconnaissance (ISR)</b>	Adds \$500 million (Section 9016)	No funds added	
Additional procurement funds for <b>National Guard and reserve components</b>	Adds \$1.6 billion (including \$100 million for National Guard HMMWV modernization)	Adds \$1.06 billion (including \$60 million for National Guard and Army Reserve HMMWV ambulances)	
Lethal military assistance to <b>Ukraine</b> <sup>d</sup>	Adds \$200 million (Section 9014)	Adds \$300 million (Section 9014)	
Funds requested (\$600 million) to <b>train and equip Syrian forces</b> to oppose ISIL <sup>e</sup>	Approves request; bars use of funds for Syria in violation of War Powers Resolution (Section 9018)	Approves total, but shifts \$69 million to Army and Air Force accounts	
<b>Counter-Terrorism Partnerships Fund</b> \$2.1 billion requested	Approves \$2.06 billion	Approves \$1.0 billion, transferred to other accounts for oversight	

- a. For background, see CRS Report RL30624, *Navy F/A-18E/F and EA-18G Aircraft Program*, by Jeremiah Gertler.
- b. For background, see CRS Report RL30563, *F-35 Joint Strike Fighter (JSF) Program*, by Jeremiah Gertler.
- c. For background, see CRS Report RL32665, *Navy Force Structure and Shipbuilding Plans: Background and Issues for Congress*, by Ronald O'Rourke.
- d. For background, see CRS Report RL33460, *Ukraine: Current Issues and U.S. Policy*, by Steven Woehrel.
- e. For background, see CRS Report R43727, *Train and Equip Program for Syria: Authorities, Funding, and Issues for Congress*, by Christopher M. Blanchard and Amy Belasco.

Table 4. Selected Congressional Prohibitions and Budget Reductions

Issue	House-passed H.R. 2685	Senate committee-reported S. 1558	Conference Report
Funds cut from request on grounds that they <b>exceed the amount required</b> for a program in FY2016 or because the cuts can be offset by <b>unobligated balances</b>	Cuts \$5.1 billion either deemed to be excess to requirements or to be made up for by unobligated balances appropriated in earlier budgets but not spent as planned	Cuts \$4.3 billion either deemed to be excess to requirements or to be made up for by unobligated balances appropriated in earlier budgets but not spent as planned	
Budget <b>overestimate of Civilian Personnel Requirements</b>	Cuts \$689 million	Cuts \$117 million	
<b>Fuel prices</b> assumed in budget request	Cuts \$814 million on the assumption that fuel prices will be lower than assumed (Section 8126)	Cuts \$827 million on the assumption that fuel prices will be lower than assumed (Section 8107)	
<b>Foreign currency assumptions</b> relating to the value of the dollar against foreign currencies in countries where U.S. forces are stationed or buy goods and services	Cuts \$1.2 billion on the assumption that purchase of goods and services by U.S. forces overseas will cost less than budget assumed due to increased value of the dollar (Section 8074)	Cuts \$1.2 billion on the assumption that purchase of goods and services by U.S. forces overseas will cost less than budget assumed due to increased value of the dollar (Section 8074)	
<b>Rescissions</b> of funds appropriated in prior years which, then will offset new budget authority requested in the budget, thus reducing the new budget authority to be appropriated for FY2016	Rescinds \$879 million appropriated in prior years to offset requested new budget authority (Section 8040)	Rescinds \$1.3 billion appropriated in prior years to offset requested new budget authority (Section 8040)	
<b>Reduction in Working Capital Funds carryover</b>	Cuts the overall request by \$359 million with the reduction to be offset by excessively large cash balances held by DOD working capital funds (Section 8125)	Cuts the Army and Marine Corps O&M requests by a total of \$160 million with the reduction to be offset by excessively large cash balances held by DOD working capital funds	
<b>Long-range Strike Bomber</b> (\$1.25 billion requested for R&D) <sup>a</sup>	Cuts \$460 million because of changes in program's schedule	No change to request	
<b>KC-46 tanker plane;</b> (\$2.35 billion requested to procure 12 planes and \$602 million for R&D) <sup>b</sup>	Cuts \$75 million from R&D request	No change to request	

a. For background, see CRS Report R43049, *U.S. Air Force Bomber Sustainment and Modernization: Background and Issues for Congress*, by Jeremiah Gertler.

b. For background, see CRS Report RL34398, *Air Force KC-46A Tanker Aircraft Program*, by Jeremiah Gertler.

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